Department of the Navy

Future Years Defense Plan Improvement: Planning, Programming & Budgeting System Business Process Review

KPMG Consulting Introduction

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Prepared by:

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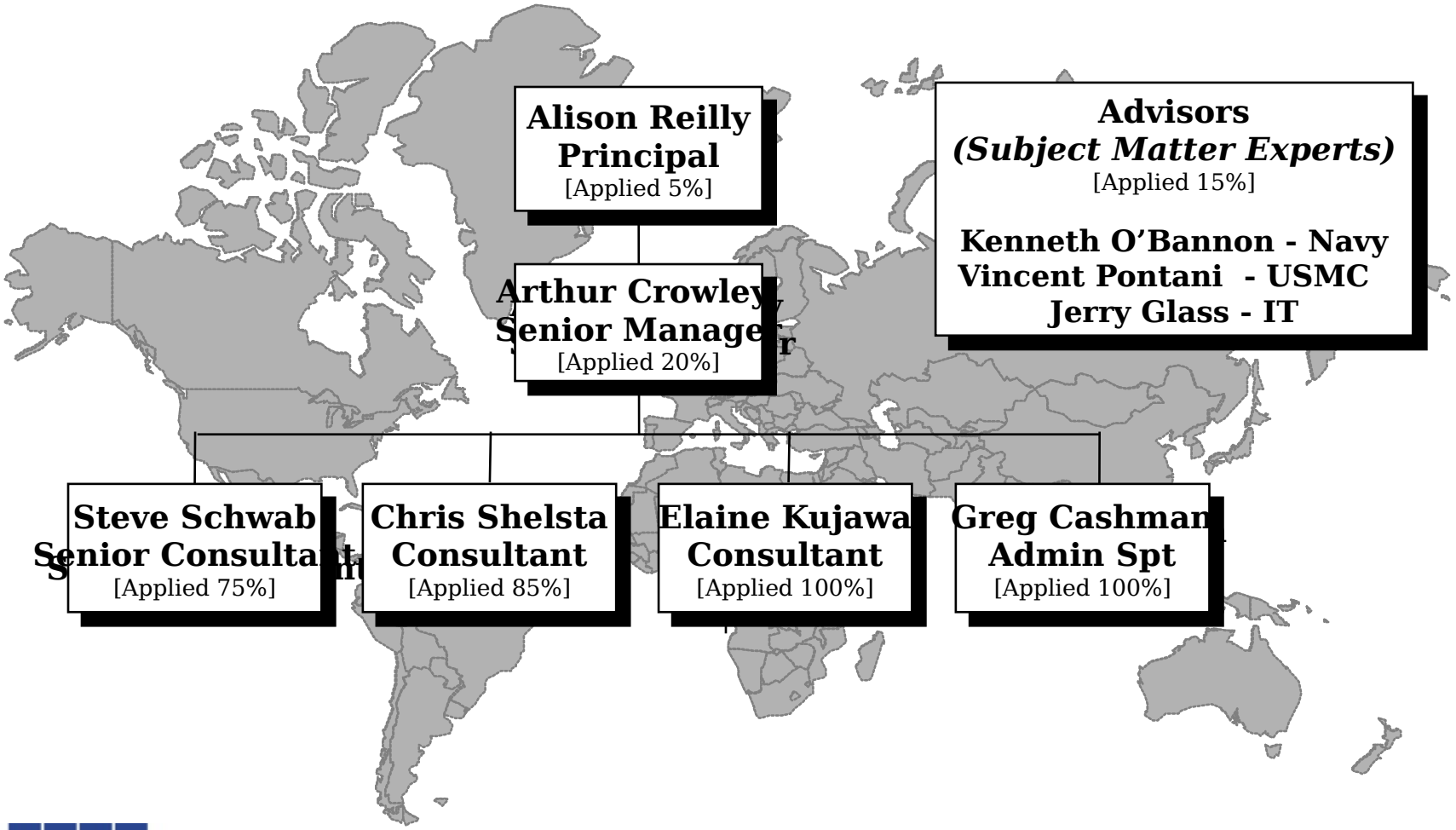
Contents

- Project Staff
- Project Tasks
- Next Steps
- Discussion Items

KPMG Consulting's Proposed Staffing Plan



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KPMG Consulting Understanding of our role in the FYDP Improvement Project

KPMG Consulting will perform 2 Tasks:

1. Perform PPBS Business Process Review *(Task 5.1)*
   - Conduct As-Is Assessment
   - Conduct To-Be Assessment
   - Develop Recommendations / Implementation
     - PBIS *(Task 5.2)*
     - Datawarehouse *(Task 5.3)*
     - Reporting *(Task 5.4)*
     - Overall process & information flow *(Task 5.6)*
2. Assist in OSD Program Element Restructuring *(Task 5.5)*
   - Support Implementation of new PE Structure
   - Identify Required Changes to Existing Processes/Systems (PBIS)
   - Identify Decision Support (DSS) Tools

Detailed BPI Approach
Step 1 - Focus

- Identification of opportunities for performance improvement through an analysis of the current environment
  - Establish project team - delineate roles and responsibilities
  - Determine & concur on scope of project
  - Establish clear goals for project
  - Develop Critical Success Factors
  - Prioritize and select “high payback” processes for redesign
  - Develop Plan of Action and Milestones

Detailed BPI Approach
Step 2 – Define "As-Is"

- Establish a framework against which the current process can be assessed
  - ***Process perspective*** – includes graphical representations and process models of current processes to be redesigned
    - Gather information on the current process / identify critical areas
      - Leverage KPMG Consulting Advisory personnel
    - Conduct process modeling workshops and interviews
    - Document processes as currently performed
      - Update "Programming and Budgeting System (PBS) Information Systems (IS) Architecture" ASN (FM&C) 30 Oct 1985
  - ***Information Technology perspective*** – high level analysis of the information technology (IT) environment and its performance
    - Network architecture
    - Application architecture
    - Data architecture
    - Identify potential IT issues to be considered during redesign

Detailed BPI Approach
Step 3 - Design "To-Be" High Level

- Development of a portrait of how the redesigned processes will operate in the future
  - ***Process perspective*** – development of how work will be accomplished and information will flow according to redesigned processes
    - Prioritize critical areas for analysis
    - Develop new process enablers from high level perspective
    - Document new process design
    - Identify impacts to technology architecture
    - Identify Quick hits
  - ***Information Technology perspective*** – design of new technology "blueprint" required to support redesigned process
    - Recommend application and data architecture changes to information systems (PBIS & data warehouse)

Detailed BPI Approach
Step 4 - Design "To-Be" Details

- Detailed design and implications of implementing the "To-Be" solutions
  - ***Detailed Process Descriptions*** – work step descriptions, reporting requirements, workflow interfaces
    - Identify specific "ground rules" guiding level of detail
    - Construct detailed processes
    - Assess the impact of the business solution given the detailed process descriptions
    - Verify and finalize with design team and project leadership
  - ***Detailed IT recommendations*** – for PBIS, data warehouse, & other information systems
    - Identify information system requirements to support redesigned processes
    - Tie redesigned process to supporting technical infrastructure
    - Specify data management processes and procedures

Detailed BPI Approach
Step 5 - Implement

- Detailed plan for implementing the “To-Be” solutions
  - Implementation Plan
    - Acts as a blueprint for integrating all process and technology elements
    - Provides an overview of the anticipated time frame for implementation
    - Provides a single over-arching program management frame-work for incorporating change activities
    - Assists in the establishment of cross-team communications and in the development of a cooperative organizational culture

Deliverables

- Detailed POAM for execution of As Is Process Modeling
  - 21 DAC
- Proposed POAM for execution of To Be Process Modeling
  - 45 DAC
- Updated PBS IS Architecture Document
  - 90 DAC
- PPBS Process Improvement
  - Recommendations & Supporting Analysis
    - Incremental
  - Detailed PBIS IT Guidance
    - Incremental
  - Detailed Data Warehouse Strategy & Guidance
    - Incremental

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Next Steps (Near Term)

- Establish roles and responsibilities for the As-Is Model
- Identify stakeholders
- Develop clear goals for project and determine Critical Success Factors
- Define scope of project
- Create Plan of Action and Milestones

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Discussion Items

- Access to office
- Office Hours
- Property Passes
- Web Site
- Dial-out access
- Security Policy
- Email accounts/Intranet access

KPMG Consulting's POCs

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